

## EXHIBIT H

IN THE HIGH COURT OF JUSTICE  
QUEEN'S BENCH DIVISION. 2005 Folio No. 841  
COMMERCIAL COURT.

Court No 65  
Royal Courts of Justice  
The Strand  
London WC2 A2U

Before:  
MR JUSTICE WALKER

BETWEEN:

HSBC BANK PLC

Claimant

-and-

(1) 5TH AVENUE PARTNERS LIMITED AND OTHERS

Defendant

AND BETWEEN:

(1) MR KEVIN SO  
(2) MS YAN LUCY LU  
(3) MR CHARLES MARTIN EDWARDS  
(4) MR ROBERT WILLIAM MANN

Part 20 Claimants

-and-

(1) 5TH AVENUE PARTNERS LIMITED  
(2) MICHAEL ROBERT ALEXANDER BROWN  
(3) HSBC BANK PLC  
(4) EMULEX CONSULTORES E SERVICOS LDA

Part 20 Defendants

EMULEX CONSULTORES E SERVICOS LDA

Part 20 Claimant

-and-

(1) MICHAEL ROBERT ALEXANDER BROWN  
(2) 5TH AVENUE PARTNERS LIMITED  
(3) KEVIN SO  
(4) YAN LUCY LU  
(5) CHARLES MARTIN EDWARDS  
(6) HSBC BANK PLC

MR E MCQUATER QC and MS HUTTON (instructed by Allen & Overy LLP) appeared on behalf of the Claimant.

MR N VINEALL QC and MR J BOWLING (instructed by Bivonas Solicitors) appeared on behalf of the 10th 11th and 13th Defendants.

Day 8

HSBC

17th October 2007

1 A. Do you mean that I talked to Ms Lu about this, that is  
2 the --  
3 Q. Yes. Did she talk to you about what Mr Millar was  
4 saying about profits that could be made in London?  
5 A. She didn't discuss it with me.  
6 MR JUSTICE WALKER: Mr So, it would help me to know: in  
7 February 2005, did Ms Lu talk to you about the profits,  
8 generally, that might be made from the transaction?  
9 A. No. (Pause).  
10 MR McQUATER: Mr So, in his response to Ms Lu, Mr Millar in  
11 this e-mail says this in one sentence, and it is towards  
12 the end, on page 281 of the bundle, and it is part of  
13 his response to a question put to him. And it is -- for  
14 the translator's benefit, it is six lines from the end  
15 of the e-mail. There is a sentence which starts:  
16 "Forget all the broker nonsense."  
17 He says to Ms Lu  
18 "Forget all the broker nonsense and non-existent  
19 deals. This is the best real deal in the world."  
20 Did Ms Lu tell you that Mr Millar had made reference  
21 to these things?  
22 A. She didn't tell me.  
23 Q. If she had told you that Mr Millar had made a reference  
24 to non-existent deals, would that have worried you?  
25 A. She didn't tell me.

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1 Q. Now, I am going to move from that e-mail, thank you, to  
2 the next e-mail, which is at 285 of the bundle. This is  
3 another e-mail from Ms Lu to Mr Millar on the  
4 17th February 2005. And it is headed, "HSBC account in  
5 London". And Ms Lu puts a number of further questions  
6 here to Mr Millar.  
7 If you look on in the bundle, please, to page 290,  
8 Mr So, we have an e-mail which includes Mr Millar's  
9 answers, given also on the 17th February.  
10 Now, in this e-mail, Mr So, Mr Millar makes  
11 reference to an account being set up in the name of you  
12 and Ms Lu in London, on which Ms Lu could be made the  
13 sole signatory.  
14 Do you remember her telling you about that?  
15 A. She didn't tell me.  
16 Q. You don't remember any discussion about Ms Lu being made  
17 the sole signatory to an account in your names in  
18 London?  
19 A. She didn't tell me.  
20 Q. In this same e-mail, Mr So, Mr Millar tells Ms Lu that  
21 the funds deposited in London could be withdrawn at any  
22 time. Do you remember her telling you that?  
23 A. She didn't tell me.  
24 Q. I see. Sorry, just a moment. I am just trying to find  
25 a reference. I apologise, Mr So. (Pause).

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1 It is your own statement, Mr So. I have found it.  
2 It is your own statement at paragraph 50. You have got  
3 the Mandarin there. You can follow in the Mandarin.  
4 Paragraph 50 of your statement, Mr So, you say this:  
5 "I recall from my telephone discussions with Ms Lu  
6 that she had been told by Mr Millar that our \$30 million  
7 investment would be held in a segregated non-depletion  
8 account in HSBC and that we could withdraw the funds at  
9 any time."  
10 So are you now saying that that is untrue and that  
11 she told you no such thing?  
12 A. What do you mean, that it is incorrect?  
13 Q. Well, in your statement, you are saying that Ms Lu told  
14 you that she had been told by Mr Millar that the funds  
15 in London could be withdrawn at any time. You just told  
16 me in your evidence that she told you no such thing.  
17 A. When she discussed with me, she only gave me this  
18 information. She didn't tell me the details regarding  
19 her conversation or discussion with Mr Millar.  
20 Q. Well, tell me this. Is paragraph 50 of your statement  
21 true or false?  
22 A. It is true. Paragraph 52.  
23 THE INTERPRETER: 50, sorry.  
24 A. Paragraph 50 is true.  
25 MR McQUATER: So you want to change your evidence and you

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1 now want to say that she did tell you that Mr Millar had  
2 said that you could withdraw the funds at any time from  
3 the London account?  
4 A. Can you repeat your question?  
5 Q. I think you understand very well, Mr So, but I will  
6 repeat it one last time for you.  
7 Are you now saying that Ms Lu did tell you that  
8 Mr Millar said that you could withdraw the funds at any  
9 time from the London account?  
10 A. Ms Lu did say that the money was deposited in a bank  
11 account with HSBC. However, what they said in the  
12 e-mails, I have no idea.  
13 Q. So is paragraph 50 of your statement true or false?  
14 A. It is true.  
15 Q. Now, you can put your statement away for a second,  
16 Mr So. You will need it again later.  
17 Going back to Mr Millar's e-mail of the  
18 17th February, which is at page 290 of the bundle,  
19 Another thing that Mr Millar tells Ms Lu in this e-mail,  
20 is that the account in London could hold cash or bank  
21 securities.  
22 Now, do you remember Ms Lu telling you about that?  
23 A. No.  
24 Q. So what is envisaged in Mr Millar's e-mail, Mr So, is  
25 quite a sophisticated trading account which can hold

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3 (Pages 9 to 12)

Day 8

HSBC

17th October 2007

1 Q. Yes, and you knew that was the first time she had met  
2 them?  
3 A. I did not go to ask how many times they actually met.  
4 Q. No, but you knew she had never met them before she went  
5 to London, didn't you?  
6 A. I did not know Ms Lu's dealings in this aspect.  
7 Q. Well, when was the first time those names were mentioned  
8 to you, the names of Michael Brown and Boris Lopatin?  
9 A. It was after Ms Lu returned from London.  
10 Q. Was it during the telephone call that we have been  
11 talking about?  
12 A. Correct.  
13 Q. And Ms Lu told you that she had met these gentlemen in  
14 London?  
15 A. Correct.  
16 Q. And you had no reason to think she had met them before  
17 her trip to London, had you?  
18 A. I don't know.  
19 Q. Just before we move back to the Land Base agreement,  
20 Mr So. We agreed that a profit of \$100 million in  
21 a short space of time on a -- sorry, I will start that  
22 question again. I put it the wrong way.  
23 We have agreed that what Ms Lu was reporting to you  
24 in terms of profits would be an extraordinarily high  
25 return. And you say that you understood this would be

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1 gained for no risk to your principal. And you have also  
2 now told me that you thought you could get your money  
3 back at any time if you wanted it.  
4 Now, you are a serious businessman, Mr So. Did that  
5 not strike you as entirely incredible?  
6 A. A moment ago, you asked me questions individually. You  
7 asked me individual questions. Now, you are asking me  
8 many questions in one go. Could you just kind of ask me  
9 individual questions; one question at a time?  
10 Q. Well, let me try to make it simple, Mr So. You are  
11 being told you can make fantastic profits in a short  
12 time, with no risk to your principal, and you would get  
13 your money back at any time.  
14 Now, that simply was not credible, was it?  
15 A. As I just mentioned, you put all of the things you asked  
16 before in just like a sort of conclusion. I do not  
17 quite understand.  
18 MR JUSTICE WALKER: Mr McQuater, could I have a go?  
19 MR McQUATER: Of course, my Lord.  
20 MR JUSTICE WALKER: Mr So, to make a profit under which  
21 \$30 million was turned into \$100 million is unusual, is  
22 it not?  
23 A. Correct.  
24 MR JUSTICE WALKER: An opportunity like that does not arise  
25 very often; correct?

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1 A. Correct.  
2 MR JUSTICE WALKER: If you add to that, that your  
3 \$30 million is completely safe, that makes it highly  
4 unusual, does it not?  
5 A. I agree. From the 30 million to \$100 million, yes, that  
6 is unusual and I agree that. However, what I accept was  
7 the principal would be safe. And also, if the trading  
8 volume increases and then the speed of accumulating the  
9 interest -- the profit, would become very quick.  
10 However, I wasn't given any exact period, length  
11 of time when the principal could increase into the  
12 figure we just mentioned. I wasn't given the exact  
13 length of time how quick that is.  
14 So did I just answer the question you posed, your  
15 Lordship?  
16 MR JUSTICE WALKER: No, you did not.  
17 A. I am sorry.  
18 MR JUSTICE WALKER: Go back to getting \$30 million turned  
19 into \$100 million. Is not that difficult to believe?  
20 Is it not difficult to believe?  
21 A. Yes, it is unusual.  
22 MR JUSTICE WALKER: If you are then told: what is more, all  
23 the time, your \$30 million is safe; is not that even  
24 more difficult to believe?  
25 A. Yes, correct, yes.

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1 MR JUSTICE WALKER: And then you are told: on top of that,  
2 you can have the \$30 million back at any time; is not  
3 that incredible?  
4 A. I am sorry. May I just answer a question first --  
5 answer one question first?  
6 MR JUSTICE WALKER: Yes.  
7 A. When the bank's counsel asked me questions, he asked  
8 me: under which circumstances, I could get my money  
9 back. I wasn't aware this question is actually linked  
10 to two other questions. I just thought under normal  
11 circumstances, if I want to take my money out, then  
12 I can take my money out. This is how I understood --  
13 that was my understanding.  
14 MR JUSTICE WALKER: My question is: is not this combination  
15 of amazingly good terms, completely incredible?  
16 A. Yes. If you combine all those factors together, yes, it  
17 is.  
18 MR JUSTICE WALKER: Thank you.  
19 A. I would like to add a point, one point.  
20 I would like to add, kind of -- when doing some  
21 investment, when the investment process ends, then the  
22 money can be taken out. I am not saying taking the  
23 money out during the process, the investment process.  
24 MR JUSTICE WALKER: Mr McQuater, I don't understand what  
25 that means, but if there is anything you want to ask

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17 (Pages 65 to 68)

1 Q. Now, I am going to move from that e-mail, thank you, to  
2 the next e-mail, which is at 285 of the bundle. This is  
3 another e-mail from Ms Lu to Mr Millar on the  
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11 reference to an account being set up in the name of you  
12 and Ms Lu in London, on which Ms Lu could be made the  
13 sole signatory.

14 Do you remember her telling you about that?

15 A. She didn't tell me.

16 Q. You don't remember any discussion about Ms Lu being made  
17 the sole signatory to an account in your names in  
18 London?

19 A. She didn't tell me.

20 Q. In this same e-mail, Mr So, Mr Millar tells Ms Lu that  
21 the funds deposited in London could be withdrawn at any  
22 time. Do you remember her telling you that?

23 A. She didn't tell me.

24 Q. I see. Sorry, just a moment. I am just trying to find
25 a reference. I apologise, Mr So. (Pause).

1           It is your own statement, Mr So. I have found it.  
2           It is your own statement at paragraph 50. You have got  
3           the Mandarin there. You can follow in the Mandarin.  
4           Paragraph 50 of your statement, Mr So, you say this:

5           "I recall from my telephone discussions with Ms Lu  
6           that she had been told by Mr Millar that our \$30 million  
7           investment would be held in a segregated non-depletion  
8           account in HSBC and that we could withdraw the funds at  
9           any time."

10          So are you now saying that that is untrue and that  
11          she told you no such thing?

12       A. What do you mean, that it is incorrect?

13       Q. Well, in your statement, you are saying that Ms Lu told  
14          you that she had been told by Mr Millar that the funds  
15          in London could be withdrawn at any time. You just told  
16          me in your evidence that she told you no such thing.

17       A. When she discussed with me, she only gave me this  
18          information. She didn't tell me the details regarding  
19          her conversation or discussion with Mr Millar.

20       Q. Well, tell me this. Is paragraph 50 of your statement  
21          true or false?

22       A. It is true. Paragraph 52.

23       THE INTERPRETER: 50, sorry.

24       A. Paragraph 50 is true.

25       MR McQUATER: So you want to change your evidence and you

1       gained for no risk to your principal. And you have also  
2       now told me that you thought you could get your money  
3       back at any time if you wanted it.

4             Now, you are a serious businessman, Mr So. Did that  
5       not strike you as entirely incredible?

6    A. A moment ago, you asked me questions individually. You  
7       asked me individual questions. Now, you are asking me  
8       many questions in one go. Could you just kind of ask me  
9       individual questions; one question at a time?

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11       being told you can make fantastic profits in a short  
12       time, with no risk to your principal, and you would get  
13       your money back at any time.

14             Now, that simply was not credible, was it?

15   A. As I just mentioned, you put all of the things you asked  
16       before in just like a sort of conclusion. I do not  
17       quite understand.

18   MR JUSTICE WALKER: Mr McQuater, could I have a go?

19   MR McQUATER: Of course, my Lord.

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21       \$30 million was turned into \$100 million is unusual, is  
22       it not?

23   A. Correct.

24   MR JUSTICE WALKER: An opportunity like that does not arise  
25       very often; correct?

1 A. Correct.

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3 \$30 million is completely safe, that makes it highly

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24 more difficult to believe?

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